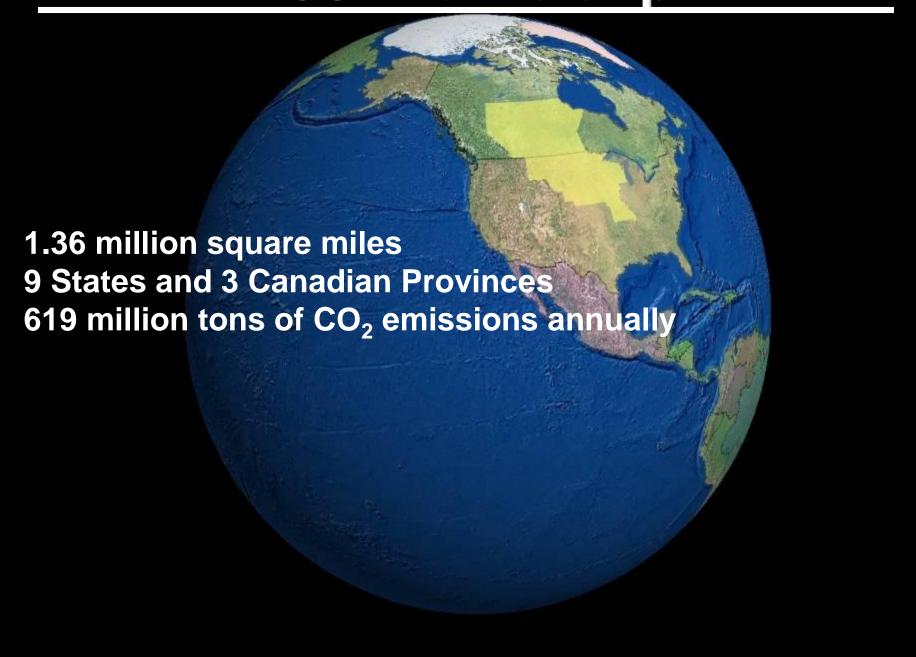








PCOR Partnership



PCOR Partnership



Ducks Unlimited Canada









UNIVERSITY OF REGINA













Environment Canada





















A Division of MDU Resources Group, Inc.





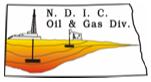










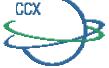






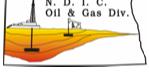


Alberta

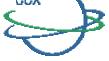












Chicago Climate Exchange

Saskatchewan Industry and Resources



Eagle Operating Inc.











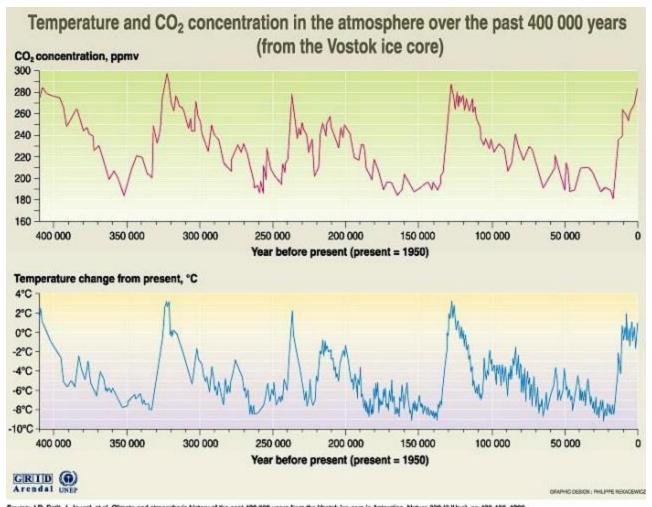








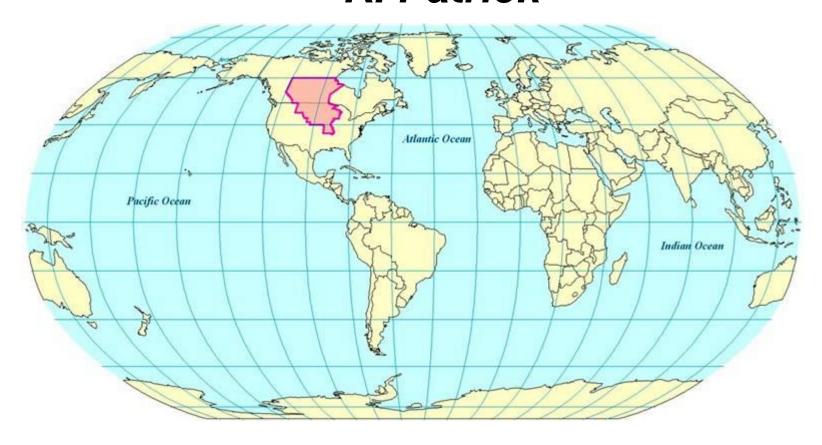
Atmospheric CO₂ Concentrations – A Geologic Perspective



Source: J.R. Petit, J. Jouzel, et al. Climete and atmospheric history of the past 420 000 years from the Vestek ice core in Antarctica, Nature 399 (3JUne), pp 429-436, 1999.

Source: Petit, J.R., and others, 1999. Climate and atmospheric history of the past 420,000 years from the Vostok ice core, Antarctica. Nature 399: 429-436.

"We are moving into a carbon-managed world, not a carbon-constrained world." — R. Patrick



Rick Patrick, Vice President, Planning, Environment, and Regulatory Affairs, SaskPower, personal communication (2004).

How Does the PCOR Partnership Add Value?

The PCOR Partnership: Catalogs, Catalyzes, and Monetizes

- We provide regional databases that catalog sources and sinks and help to determine what infrastructure is needed.
- We catalyze projects by brokering meetings with appropriate industrial participants, financiers, and regulators.
- We use our demonstration and validation activities to provide the technical and economic foundation needed to monetize carbon credits.









Units and Range of "Typical" Reservoir Conditions

Pressure

75–145 atm (bar)

1100-2500 psi

2540-4920 feet of water

1.3x10⁶-2.6x10⁶ slugs/sq. perches

45-87 scrupels/sq. barleycorns*

Temperature

30°-140°C

85°-285°F

User

Chemists Engineers Geologists Biologists Regulators

Volume

1 scf = 56 g CO₂ 16.3 mscf = 1 ton CO2

*(estimated based on British barleycorn)

Concentration 1000 scf/bbl = 43 wt% (CO₂/oil)

Density

API gravity 1 = 1.076 g/mL **API** gravity 100 = 0.6112 g/mL









Technology Deployment Concerns

- Risks associated with CO₂ sequestration
 - Local environmental impacts (acute)
 - Environment
 - Human health and safety



- Global atmospheric impacts (chronic)
 - Leaks that return stored CO₂ to the atmosphere









Technology Deployment Concerns

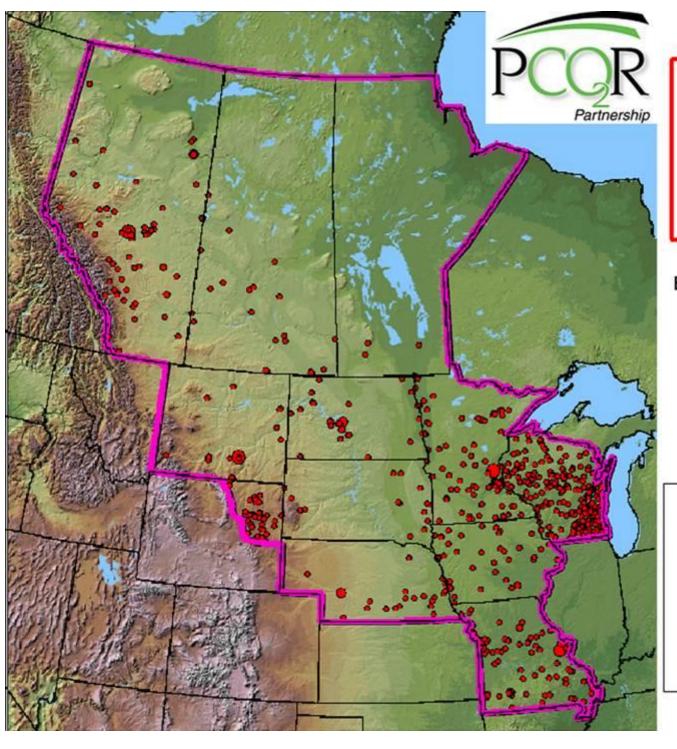
- Known facts to date concerning risks of CO₂ sequestration:
 - CO₂ can be safely stored in geological formations over long periods of time.
 - Environmental and ecological health effects are well understood.
 - The largest risks of CO₂ capture and storage have been identified.
 - CO₂ poses no health and safety risks at low concentrations.
 - CO₂ is not flammable or explosive but does react with water.









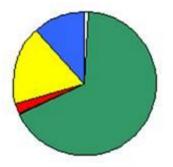


Sources

1367 stationary sources

Total CO₂ emissions: 619 million tons/yr

Emissions by Industry Category



- Ag Processing (1%)
- Electric Utility (67%)
- Ethanol (3%)
- Industrial 17%)
- Petroleum and Natural Gas (12%)



Sedimentary Basins

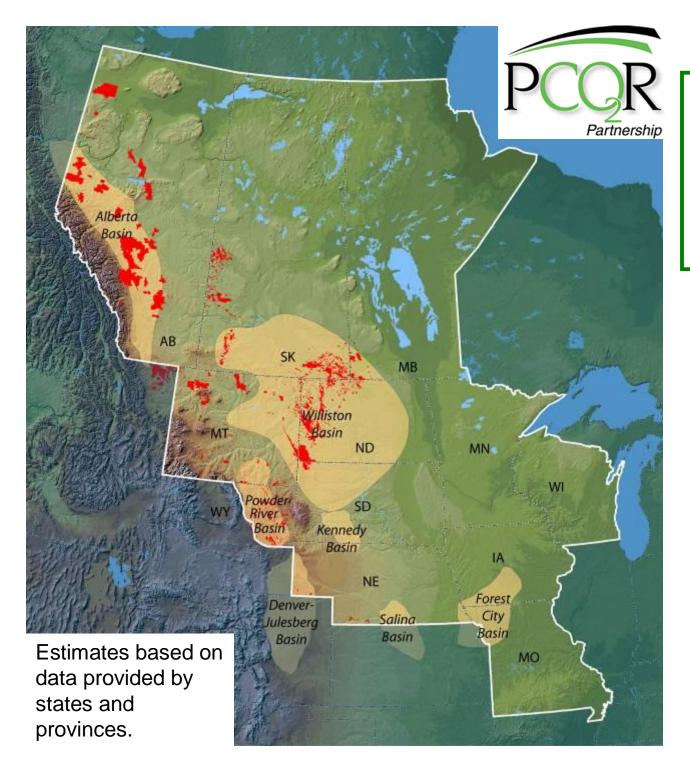
440,828 square miles32% of region

Contain the primary, large-capacity sequestration targets.

Opportunities for valueadded sequestration.

Stacked targets are common.

Include oil fields, coal seams and brine formations.



Oil Fields

6000+ fields evaluated

Fields in the Williston, Powder River, Denver– Julesberg and Alberta Basins were evaluated

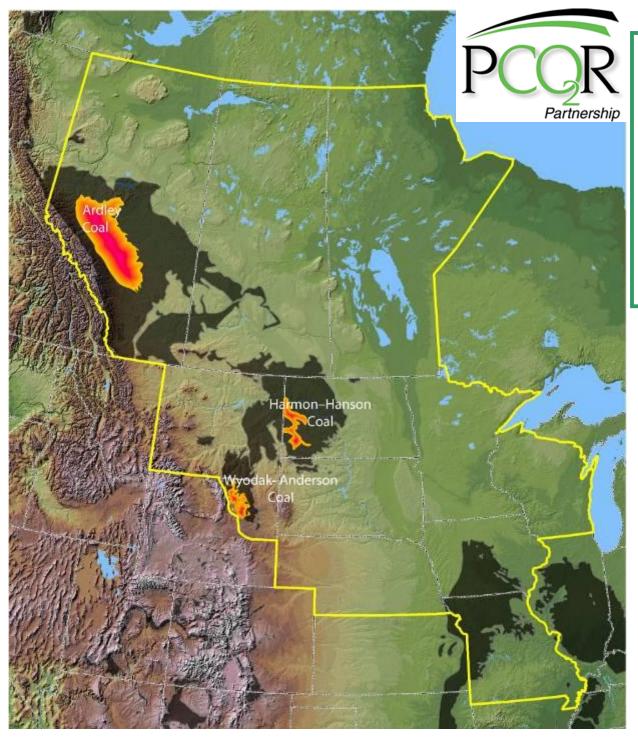
Used two methods: EOR and volumetric

• Using EOR approach:

Evaluated ~ 160 fields.

Sequestration capacity
= 1 billion tons
Incremental oil
>3 billion bbls

• Volumetric approach: Thousands of fields, total capacity >10 billion tons.



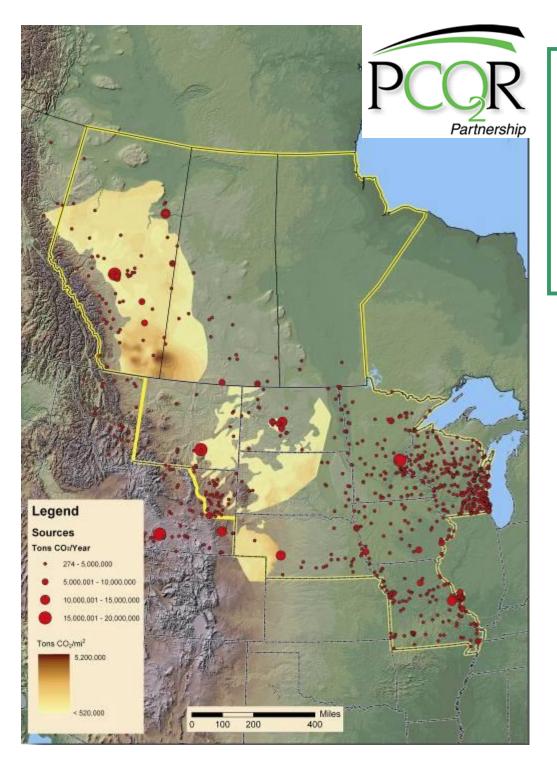
Coal Fields

Evaluated Wyodak– Anderson, Ardley, and Fort Union coals.

CO₂ sequestration capacity estimated to date: >8 billion tons

17 Tcf of methane potential from ECBM in these seams.

May be good near-term target for co-located coal-fired power plants.



Lower Cretaceous Brine Formation Evaluation

Evaluated Lower Cretaceous system throughout the PCOR Partnership region.

CO₂ sequestration capacity estimated to date: >160 billion tons

Estimates based on porosity, permeability, and water chemistry data available in the literature and provided by partners.

Estimates represent an idealized potential capacity.

Partnership 5,000,001 - 10,000,000 Tons COs/mi² 2,140,000

Madison Brine Formation Evaluation

Evaluated Mississippian system in North Dakota, Montana, Wyoming, and South Dakota

CO₂ sequestration capacity estimated to date: >60 billion tons

No value-added component to brine formation sequestration.

Co-located EOR and ECBM projects may provide necessary infrastructure.

Market for geologic sequestration credits is essential.

Prairie Pothole Region



Source: Ducks Unlimited

Source: <u>www.personal.psu.edu/users/m/e/mes270/Pictures</u> (accessed September 2005).

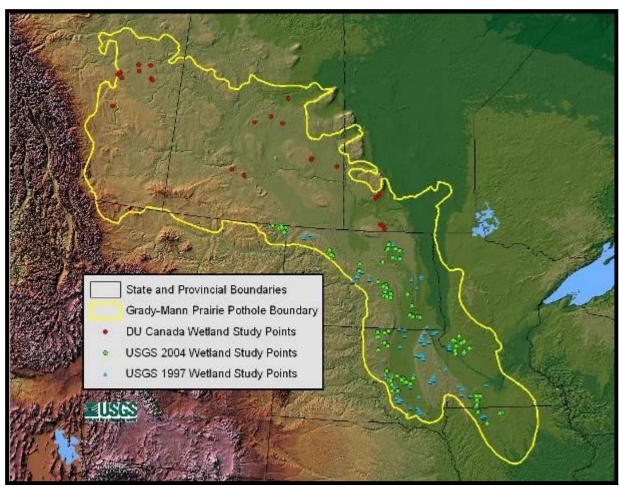








Terrestrial Field Validation Sites in the Prairie Pothole Region











Field Validation Sites



Geologic Demonstrations

- G1 Beaver Lodge, North Dakota. CO₂ injection site for CO₂ sequestration and EOR
- G2 Zama, Alberta. Acid gas injection site for CO₂ sequestration and EOR
- G3 Lignite coal in North
 Dakota. CO₂ injected into an
 unminable lignite coal seam for
 CO₂ sequestration and possible
 ECBM production

Terrestrial Demonstration

 T1 – Wetland sites monitored to establish sequestration potential and MMV technologies